

March 31, 2026

Svatantra Micro Housing Finance Corp Ltd: Update on material event

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding
Commercial paper (CP)	100.00	100.00	[ICRA]A1+
Total	100.00	100.00	

*Instrument details are provided in Annexure I

Rationale

Svatantra Microfin Private Limited (SMPL; parent entity), vide a stock exchange disclosure dated March 21, 2026, and Svatantra Micro Housing Finance Corp Ltd (SMHFCL; rated entity), vide a letter dated March 23, 2026, intimated the effective completion of the scheme of amalgamation between Svatantra Holdings Private Limited (SHPL), Chaitanya India Fin Credit Pvt Ltd (CIFCPL) and SMPL. With the scheme becoming effective from March 21, 2026, SHPL and CIFCPL now stand merged with SMPL while SMHFCL has become a wholly-owned subsidiary of SMPL. The promoters, i.e., the Aditya Birla Group (ABG) family and ABG's holding/investment company, continue to hold a majority stake in SMPL (~60%) after the merger. ICRA expects continued support from the promoters in the form of board supervision and capital infusion(s), as and when required, while retaining majority ownership.

To arrive at the rating of SMHFCL, ICRA has taken a consolidated view of SMPL, erstwhile CIFCPL, erstwhile SHPL and SMHFCL, hereafter referred to as the Svatantra Group (or the Group), given the common promoters and senior management team, common franchise and financial linkages. In ICRA's opinion the amalgamation scheme will not have a material impact on the Group's credit profile. The Group shall continue to benefit from strong capital support and commitment of the promoters, i.e., the ABG family and ABG's holding/investment company.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position, rating sensitivities, and key financial indicators: [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Non-banking Finance Companies (NBFCs)
Parent/Group support	The Svatantra Group is owned by the promoters, i.e., the ABG family and ABG's holding/investment company. It receives support in the form of regular capital infusions and board supervision.
Consolidation/Standalone	Consolidation

About the company

The Svatantra Group, promoted by Ms. Ananyashree Birla, comprising SMHFCL and SMPL, has housing finance and microfinance businesses respectively. Prior to the amalgamation, SHPL was the holding company with the microfinance business conducted through SMPL and CIFCPL and housing finance through SMHFCL. With the scheme becoming effective from March 21, 2026, SHPL and CIFCPL now stand merged with SMPL while SMHFCL has become a wholly-owned subsidiary of SMPL.

Incorporated in 2008, SMHFCL is a housing finance company registered with National Housing Bank (NHB). It was fully acquired by SHPL in September 2018. The company’s target segment is first-time home buyers in economically weaker sections (EWS) and lower income groups (LIG). SMHFCL’s standalone assets under management (AUM) was Rs. 2,543 crore as on December 31, 2025 (Rs. 2,268 crore as on March 31, 2025).

SMPL was incorporated in FY2012 and started microfinance operations in March 2013. It is registered with the Reserve Bank of India (RBI) as a non-banking financial institution-microfinance institution (NBFC-MFI). It provides microcredit to women for income-generating activities under the joint liability group (JLG) lending model. SMPL’s standalone AUM was Rs. 9,133 crore as on December 31, 2025 (Rs. 7,309 crore as on March 31, 2025).

CIFCPL was incorporated in FY2009, providing microcredit to women for income-generating activities under the JLG lending model. Registered with the RBI as an NBFC-MFI, it became a wholly-owned subsidiary of SMPL on November 23, 2023, following the acquisition of all its equity shares from Navi Technologies Limited and Navi Finserv Limited. CIFCPL’s standalone AUM was Rs. 8,385 crore as on December 31, 2025 (Rs. 7,723 crore as on March 31, 2025). It was merged into SMPL w.e.f. March 21, 2026.

The Svatantra Group’s AUM stood at Rs. 20,061 crore as on December 31, 2025 (Rs. 17,300 crore as on March 31, 2025).

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

		Current (FY2026)				Chronology of rating history for the past 3 years					
						FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Mar-31-26	Date	Rating	Date	Rating	Date	Rating	Date	Rating
CP programme	Short term	100	[ICRA]A1+	Sep-02-25	[ICRA]A1+	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
CP programme	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA’s website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
Not issued yet	CP programme	NA	NA	NA	100.0	[ICRA]A1+

Source: Company

Annexure II: List of entities considered for consolidated analysis

Company name	Ownership as on March 31, 2025 [^]	Consolidation approach
Svatantra Holdings Private Limited	Holding company	ICRA has taken a consolidated view of the parent, its subsidiary, associate and step-down subsidiary
Svatantra Micro Housing Finance Corp Ltd	100%	
Svatantra Microfin Private Limited	21.47%*	
Chaitanya India Fin Credit Pvt Ltd	100% subsidiary of SMPL	

Source: Company; * 55.3% held by promoters, i.e., the ABG family and ABG's holding/investment company; SHPL and CIFCPL merged into SMPL w.e.f. March 21, 2026 while SMHFCL became a wholly-owned subsidiary of SMPL (60% stake in SMPL held by promoters, i.e., the ABG family and ABG's holding/investment company of ABG, pursuant to the scheme of amalgamation)

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